

HOUSING PARTNERSHIP INSURANCE EXCHANGE HPIEX

COMPANY PROFILE AND LOSS PREVENTION APPROACHES

HOUSING PARTNERSHIP INSURANCE EXCHANGE

CURRENT PARTICIPANTS/OWNERS



2023 HPIEX SUBSCRIBER LOCATIONS

Multiple Northeast Members with 1 member having large Midwestern footprint in IL, MI, MO & OH.

3 Members in MN / 1 of these in MN, IA, SD and WI

1 Oregon Member

2 Members VA, MD & DC

5 Members Northern CA /
1 of these in CA, OR & WA
3 Members Southern CA /
1 of these in CA, TX & FL

1 Texas Member

MEMBER LOCATIONS ARE IN BLUE STATES – HPIEX DOES NOT INSURE CA EARTHQUAKE OR TIER 1 NAMED WINDSTORM

HPIEX PROGRAM OVERVIEW

Reciprocal Reinsurance Company owned by 23 HPN members and HPN

P&C and WC are two economically independent entities under one governance structure

Launched in 2004 and has experienced consistent growth

- 24 Members
- Premium: \$36.5m
- Unit Count: 100,000
- Total Insured Values: \$22b

Ownership share proportional to premium volume

Five year rolling performance used to determine rate change and dividends



HPIEX PROGRAM GOALS AND PRINCIPLES

- † Ownership & Oversight –
Subscribers Advisory Committee
- † Reduce and Stabilize Premium
- † Accountability of ownership
- † Stability
- † Long term commitment – 3 year
minimum
- † Superior Claim Management
Service
- † **Reward Performance – Premiums
and Profits reflective of loss
experience**
- † **Commitment to Loss Control &
Claim Management**
- † **Profits / Losses accrue to the
owners**
- † **Specialized Loss Control Service**
- † **Robust Member Engagement / Peer
Exchange**

LOSS PREVENTION INITIATIVES

- **Property & Liability Risk Scores**
- **Loss Prevention Committee** (focused on loss leaders and delivery of loss prevention and risk management tools)
 - Site Security
 - Lithium Battery Best Practices
 - Water Detection Technology
- **Risk Control Summits**
 - Water Damage and Water Detection Technologies
 - Fire Prevention
 - Written Contractual Risk Transfer
- **On-site surveys**
- **Tenant Education**
- **Enhanced Service Plans (ESP)** – focused on leading causes of loss – water damage and fires and creating organizational strategies for improvement.

ENHANCED SERVICE PLAN (SOME EXCERPTS)

Management Leadership and Employee Participation

Executives should set loss prevention goals for the organization that use leading and trailing indicators. Goal setting should include making any desirable loss prevention program improvements

Site Analysis

A Security Vulnerability Assessment (SVA) should be completed by a qualified person for all properties in the portfolio whereby opportunities for improvement are considered and prioritized.

Hazard Prevention and Control

A formal water intrusion management procedure should be developed and implemented for the portfolio to include regular inspections of units and checking for slow action water events that can be evidenced by water soaked or spongy flooring as well as those that are occurring in wall cavities but haven't yet manifested.

Emergency Response & Life Safety

In addition to requesting annual fire and police department visits in communities where this service is offered, written self-audits should be conducted at each property periodically throughout the year for the purpose of identifying and correcting fire/security hazards.

Fire Protection and Prevention

Lithium powered bikes and scooters should not be permitted to be stored or charged on properties in the portfolio unless a secure area designed for such is provided.

Stovetop fire suppression devices should be installed on all cooking ranges in the portfolio where possible. Alternatively, electric stoves with temperature limiting technology that meets the U.L. 858 standard should be installed where stovetop devices are not installed.

Staff Training in Loss Prevention Procedures

Tenant Education



LITHIUM ION BATTERIES (RESPONSE AND EDUCATION)

- Designated area outside
 - Identify mismanaged charging stations
 - Provide information regarding charging best practices
 - Provide appropriate areas to discard batteries
 - Education
- Batteries recommended to be UL Listed
 - Follow the manufacturer's instructions for charging and storage.
 - Only use the battery that is designed for the device.
 - Put batteries in the device the correct way.
 - Charge device on non-combustible substrate (table, etc.)
 - Do not keep charging the device or device battery after it is fully charged.
 - Keep batteries/devices at room temperature. Do not place in direct sunlight.
 - Store batteries away from anything flammable.